

## **Michigan Energy Codes Compliance Program RFP Questions and Answers**

**1. Concerning the “Approved Budget Form,” can the rules/definition of what is considered indirect rates and how they are to be calculated be provided? Additionally, referencing line 173 of the budget form, should the indirect rate include General and Admin expenses plus a maximum of up to 20 percent profits? Or, would you like General and Admin expenses be included in the Fringe section of the budget?**

EGLE Energy Services follows the 2CFR200 guidelines, section 200.414 Indirect (F&A) Costs for indirect rates ([2CFR200](#)). Generally anything 20 percent or less for an indirect rate is accepted as a self-certification; anything over 20 percent would require federal review/approval. Indirect can be applied to the whole grant if requested. General and Admin costs should be accounted for in the indirect rate; fringe is intended for personnel benefits (i.e. company health plans, 401k, etc. – employee costs not directly tied to their salary)

**2. If deemed necessary, can the proposer modify the pricing sheet’s formulas or structure to provide greater clarity or functionality?**

The sheet can be modified at the request of the applicant/grantee but EGLE should make any needed changes.

**3. Our indirect General and Admin expenses are much higher than the 20 percent maximum but this has been audited and accepted through multiple years of DOE audits. Would a rate over 20 percent disqualify an applicant’s proposal?**

An applicant will not be disqualified for indirect rates over 20 percent. If an applicant submits an indirect rate over the 20 percent mark, they will be required to also submit documentation supporting the indirect rate included in the application.